

# TennCare

TennCare, established in 1994, was designed to be Tennessee's health insurance program for low-income individuals, children, people with disabilities, and people who are unable to secure other forms of health care coverage.

## Uninsured Children

In an effort to expand coverage to more of Tennessee's uninsured children, the Bureau of TennCare opened enrollment on January 1, 1998, to uninsured Tennesseans under the age of 19 whose individual family incomes were less than 200 percent of the poverty level. Since January 1, 1998, uninsured children younger than age 19 who meet the TennCare criteria for uninsured have been allowed to enroll in TennCare. The Bureau of TennCare eliminated deductibles and limited co-payments to 2 percent for the new eligibility populations and all uninsured children under 18 years of age who enrolled in TennCare during previous open enrollment periods.

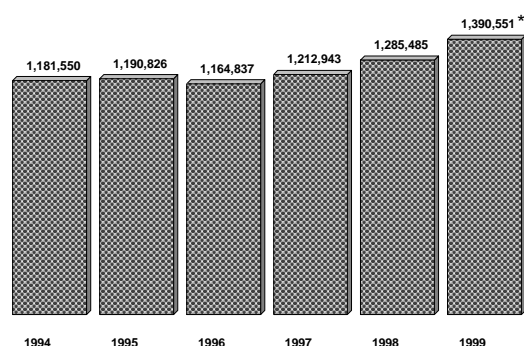
**Children's Health Insurance Program (CHIP).** In Tennessee, the Medicaid program is provided through a Section 1115a waiver called TennCare. The target population for the State's original CHIP plan submitted to the Health Care Financing Administration (HCFA) in December 1997 was all uninsured children with family incomes below 200 percent poverty. The target population for Phase I of the State's CHIP Plan was approved by HCFA on September 3, 1999, and is a subset of the larger group and includes uninsured children born before October 1, 1983, who have not yet attained the age of 19 years and whose family incomes are below 100 percent of poverty. The effective date of Phase I of the CHIP plan was October 1, 1997.

**Managed Care/Behavioral Health Organizations (MCOs/BHOs).** TennCare services are offered through managed care organizations (MCOs) and behavioral health organizations (BHOs) under contract with the State. These MCOs, spread over the 12 regions of Tennessee, are paid a fixed amount, which averages \$116 per enrollee per month for the MCO services. BHOs are paid \$319.41 for priority participants and a variable rate for all other TennCare enrollees and "state onlys."

## Covered Services

TennCare covers inpatient and outpatient hospital care, physician services, prescription drugs, lab and x-ray services, medical supplies, home health care, hospice care, and ambulance transportation, as determined medically necessary by the MCO. Excluded from TennCare managed care services are long-term care services and Medicare crossover payments that are continuing as they were under the former Medicaid system.

**Total Population Enrolled in TennCare**  
1994 - 1999



Source: Department of Health, Bureau of TennCare. \*Note, Data for 1994-1998 represents fiscal year, 1999 number represents calendar year.

## Importance of TennCare

Despite many criticisms, the TennCare program has provided health care to Medicaid eligible children and adults and thousands of others in Tennessee. The Medicaid eligible group consists of some of the poorest children in the state.

## Enrollment Efforts and Impact

Several agencies are involved in statewide enrollment efforts, including the TennCare for